

September 30, 2009

Senator Senator Max Baucus
511 Hart Senate Office Building
Washington DC 20510



Dear Chairman Baucus:

The American Society of Health-System Pharmacists (ASHP) appreciates the hard work being done by members of the Senate Finance Committee and their staff in developing a health care reform proposal. Much of what is included in the Chairman's mark are issues ASHP supports, such as efforts to improve quality and provide incentives for integrated care delivery and coordination. However, we believe a critical component is missing that impacts quality of care: **funding for second-year pharmacy residencies.** We respectfully ask members of the Committee to consider an amendment or committee report language that would allow these critical programs to be eligible for graduate medical education (GME) funding.

The American Society of Health-System Pharmacists (ASHP) represents pharmacists who practice in hospitals and health-systems. The Society's 35,000 members include pharmacists and pharmacy technicians who practice in a variety of health system settings, including inpatient, outpatient, home care, and long-term-care settings, as well as pharmacy students.

Second-year pharmacy residencies build upon competencies established in the first year by enabling pharmacists to apply their clinical skills and function as a member of the multi-disciplinary patient care team. Further, the reduction in adverse events and longer hospital stays associated with medication related problems make these programs highly cost effective. As Congress looks to overhaul our nation's health care system, we believe those training programs that are essential to improving quality through better outcomes, and controlling costs through efficient care, must not only continue, but be one of the standards upon which quality patient care can be evaluated.

In 2004, the Centers for Medicare & Medicaid Services (CMS) cut funding claiming these programs were not a requirement for employment as a clinical pharmacist. ASHP survey data contradict that notion but nevertheless, CMS indicated that completion of a second-year residency was not the industry norm. CMS defined "industry norm" to be at least 50% of hospitals requiring second-year residencies as a condition of employment. We agree with the suggestion that these programs be required, however, that cannot occur if their eligibility for GME funding is taken away.

Please consider an amendment to restore funding for second-year pharmacy residencies. These programs achieve critical patient care and workforce needs, and improve patient safety, health outcomes, and reduce costs.

Sincerely,

Henri R. Manasse, Jr., Ph.D., Sc.D
Executive Vice President and CEO

TOGETHER WE MAKE A GREAT TEAM